

STATE OF HAWAII
REQUEST FOR EXEMPTION FROM CHAPTER 103F, HRS

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TO: Chief Procurement Officer

ADMINISTRATION
STATE PROCUREMENT OFFICE
STATE OF HAWAII

FROM: Department of Health/Child and Adolescent Mental Health Division
(Department/Division/Agency)

Pursuant to § 103F-101(a)(4), HRS, and Chapter 3-141, HAR, the Department requests a procurement exemption to purchase the following:

Description of health and human services:

The purpose of this request is to pay for Community-Based Day Treatment –Afterschool (CBDT) services that were provided to youth authorized by either an Individualized Education Program (IEP) and/or Coordinated Service Plan (CSP). The CBDT service is a structured educational and therapeutic milieu with integrated educational and mental health services for youth experiencing emotional disturbances, significant behavioral problems and/or developmental disabilities.

Name of Service Provider Waianae Coast Community Mental Health Center, Inc., dba Hale Na'au Pono (HNP)	Cost: \$35,478.00	Term of Contract: From: September 4, 2001 To: June 13, 2002
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Explanation describing how procurement by competitive means is either not practicable or not advantageous to the State:

This request is for the payment of services that were provided beyond the end date of a contract agreement between HNP and the Department of Health (DOH), Child and Adolescent Mental Health Division (CAMHD).

During the fall of 2000, both the DOH and the DOE moved to a school-based mental health model for providing services to Felix eligible youth. Accordingly, the DOH/CAMHD transferred general funds appropriated for these categories of services to the DOE and beginning July 1, 2001, and the DOE took over the services. CAMHD did not renew its contract with the HNP for these services.

Effective July 1, 2001, the DOE contracted with HNP to provide school-based services and included the CBDT services but later terminated the CBDT services from the contract when it was discovered that it was *not* a level of care in the DOE's contracted array of services. Representatives from the DOE and CAMHD met and determined that the CAMHD would be responsible for CBDT service. The CAMHD offered to contract with HNP for Biopsychosocial Rehabilitation Services (BPSR) which was a level of care included in CAMHD's array of services that was similar to but not exactly the same as the CBDT service for Felix class youth who were in the program prior to July 1, 2001. The HNP reviewed and refused to sign the Agreement because of the differences between BPSR and CBDT.

As a result of HNP's refusal to sign, a contract modification to transition Felix class youth out of HNP was executed effective July 1, 2001 through August 31, 2001 between the CAMHD and HNP and to pay for services rendered to youth who were authorized prior to July 1, 2001.

After August 31, 2001, the HNP continued to provide the CBDT program for youth under the Felix Consent Decree without a contract with the State. The HNP further refused to transition youth until the IEP and/or CSP authorized the transitions, and demanded that the State pay for services rendered. The DOE took months to update clients' IEP/CSP. During December 2002, representatives of the DOE, DOH/CAMHD, and the Department of the Attorney General's Office met to consider the case of each client for whom HNP sought reimbursement and determined the dates specified in the IEP and CSP for clients who were authorized prior to July 1, 2001. The total amount outstanding is \$35,478.00.

In spite of HNP refusal to sign a contract with the State, the State is still obligated to provide mental health services under the Felix Consent Decree to youth with an authorizing IEP and/or CSP and pay for mental health services. We are requesting authorization to pay for CBDT services from September 4, 2001 through June 13, 2002.

Following a letter to HNP from the CAMHD during March 2003 describing the final payment amount, HNP claimed that more services were provided than what the State had determined. Time was spent on reviewing and verifying records, and contacting individuals for clarification.

Details of the process or procedure to be followed in selecting the service provider to ensure maximum fair and open
*competition as practicable:

N/A

A description of the state agency's internal controls and approval requirements for the exempted procurement:

During December 2002, representatives of the DOE, DOH/CAMHD, and the Department of the Attorney General's Office met and determined all of the dates of the services that specifically identified HNP in the IEP/CSPs authorized for clients prior to July 1, 2001. It was determined that the cost of those services identified was \$35,478.00.

It was not the intent of the DOH/CAMHD to circumvent the State's procurement rules and regulations. To avoid similar situations in the future, the CAMHD will ensure that clients' IEP and/or CSP address services and not specific providers and are updated prior to contract close out or termination.

A list of state agency personnel, by position title, who will be involved in the approval process and administration of the contract:

Christina Donkervoet, CAMHD Chief
Kuulei Wilton, Provider Relations Specialist
Craig Kodama, Contracts Specialist
T. Orvin Fillman, Dr.P.H., Public Health Administrative Officer

Direct questions to:
Kuulei Wilton, Provider Relations Specialist
T. Orvin Fillman, Dr.P.H., Public Health Administrative Officer

Phone Number:
733-9857
733-8370

This exemption should be considered for list of exemptions attached to Chapter 3-141, HAR: Yes ☐ No ☒

I certify that the information provided above is to the best of my knowledge, true and correct.

Craig Kodama 11/3/03
for Department/Agency Head Date

Chief Procurement Officer's Comments:

Please ensure adherence to applicable administrative requirements.

☒ Approved

☐ Denied

Alan J. Fitch 11/12/03
Chief Procurement Officer Date

cc: Administrator
State Procurement Office